

# **FISCAL MEMORANDUM**

## **SB 1028 – HB 1207**

May 3, 2007

**SUMMARY OF AMENDMENT (007877):** Deletes the language of the original bill. Creates a new specialty earmarked license plate for fourteen different organizations; creates a cultural license plate for Women Veterans of America; creates a “retired legislator” special license plate; redesigns the Purple Heart license plate and requires the plates to be issued free of charge to qualified persons; extends the time for meeting minimum number requirements for the issuance of two previously approved new specialty earmarked license plates; redesigns the Lady Vols national championship license plate.

### **FISCAL IMPACT OF ORIGINAL BILL:**

Increase State Revenues – Not Significant

Increase Local Govt. Expenditures – Not Significant

Increase Local Govt. Revenues – Not Significant

### **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

#### **Other Fiscal Impact –**

##### **Each New Specialty Earmarked Plate (14 new plates):**

Increase State Revenues - \$6,260 General Fund  
\$28,740 Dedicated Funds  
Increase State Expenditures - \$6,260 One-Time

##### **Women Veterans of America Cultural Plate:**

Increase State Revenues - \$4,380 General Fund  
\$13,120 Dedicated Funds  
Increase State Expenditures - \$4,380 One-Time

##### **Retired Legislator License Plate:**

Increase State Revenues - \$2,625 Highway Fund  
Increase State Expenditures - \$2,782 One-Time

##### **Purple Heart License Plate:**

Decrease State Revenues - \$103,300  
Increase State Expenditures - \$15,500 One-Time

**Lady Vols License Plate:**

**Increase State Expenditures - \$6,343 One-Time  
Other Fiscal Impact – Redirects current revenues**

Assumptions applied to amendment:

Each New Specialty Earmarked License Plate (14 new plates):

- Revenues (1,000 plates @ \$35.00 each).
- Expenditures (Production cost – 1,000 plates @ \$3.76 each = \$3,760 one-time; computer system changes = \$2,500 one-time).
- One thousand new plates will be purchased by individuals that currently do not have a specialty license plate.
- Net proceeds from the sale of such plates will be allocated as follows: 50% to a certain fund (depending upon the plate); 40% to the Tennessee Arts Commission; and 10% to the State Highway Fund.

Women Veterans of America Cultural Plate:

- Revenues (500 plates @ \$35.00 each)
- Expenditures (Production cost – 500 plates @ \$3.76 each = \$1,880 one-time; computer system changes = \$2,500 one-time)
- Five hundred new plates will be purchased by individuals that currently do not have a specialty license plate.
- Net proceeds from the sale of such plates will be allocated as follows: 80% to the Tennessee Arts Commission and 20% to the State Highway Fund.

Retired Legislator Plate:

- Revenues (75 plates @ \$35.00 each)
- Expenditures (Production cost – 75 plates @ \$3.76 each = \$282 one-time; computer system changes = \$2,500 one-time)
- Seventy-five new plates will be purchased by individuals that currently do not have a specialty license plate.
- All proceeds from the sale of such plates will be allocated to the State Highway Fund.

Purple Heart Plate:

- A decrease in state revenues as a result of no longer collecting the fee for the Purple Heart plate. (4,133 plates @ \$25 each)
- A one-time increase in state expenditures to design and manufacture a new plate. (4,133 plates @ \$3.76 each)

Lady Vols Plate:

- A one-time increase in state expenditures to design and manufacture a new plate. (1,687 plates @ \$3.76 each)

- Revenues currently received will be redirected in order to cover one-time expenditures. In addition, net proceeds will be redirected from the UT-Knoxville General Scholarship Fund to the UT-Knoxville Women's Athletics Department.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly distinguishable.

James W. White, Executive Director

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